

UNITED STATES DISTRICT COURT

DISTRICT OF MINNESOTA

IN RE BANC OF CALIFORNIA
SECURITIES LITIGATION,

Case No. 0:18-mc-0076-WMW-KMM

**DECLARATION OF AARON G. THOMAS IN SUPPORT OF
MEMORANDUM OF LAW IN OPPOSITION TO STEVEN SUGARMAN'S
MOTION TO COMPEL**

I, Aaron G. Thomas, declare as follows:

1. I am an attorney at the law firm of Briggs and Morgan, P.A. and serve as counsel to Respondents Castalian Partners Value Fund LP and James Gibson (together, “Castalian”).

2. I submit this declaration in support of Castalian’s memorandum of law in opposition to Steven Sugarman’s motion to compel.

3. On behalf of Castalian, I participated in a meet-and-confer with Mr. Sugarman’s counsel on September 10, 2018 to discuss the bases for Castalian’s several objections to Mr. Sugarman’s subpoenas.

4. During that conference call, Mr. Sugarman’s counsel represented that Castalian’s trading records and correspondence were relevant to Mr. Sugarman’s defense of loss causation. Specifically, Mr. Sugarman’s counsel advised that they wished to understand what information was known to Castalian at the time it took its short position in advance of the October 18, 2016 blogpost in SeekingAlpha.com.

5. In response to this representation, I raised the possibility of offering an affidavit from Castalian to provide testimony that its short position was established based upon its review of publicly available records. Mr. Sugarman's counsel declined this invitation. I did not, at any time, waive any previously-articulated objection to the Subpoenas.

6. Attached hereto as **Exhibit A** is a true and correct copy of Steven A. Sugarman's July 17, 2018 notice of third party subpoenas to produce documents.

7. Attached hereto as **Exhibit B** is a true and correct copy of the Related-Party Transaction section of Banc of California, Inc.'s September 30, 2017 Form 10-Q filed with the Securities and Exchange Commission ("SEC").

8. Attached hereto as **Exhibit C** is a true and correct copy of a September 28, 2018 SEC Order that, among other things, imposes remedial sanctions and cease-and-desist obligations against COR Clearing, LLC.

9. Attached hereto as **Exhibit D** are true and correct copies of excerpts from a 2006 book authored by Brett S. Messing and Steven A. Sugarman titled *The Forewarned Investor: Don't Get Fooled Again by Corporate Fraud*.

10. Attached hereto as **Exhibit E** is a true and correct copy of an October 2, 2018 order in the underlying securities fraud litigation captioned *In re Banc of Cal. Sec. Lit.*, No. SACV 17-00118 AG (DFMx) (C.D. Cal. Jan. 23, 2017) .

I declare under penalty of perjury under the law of the United States that the foregoing is true and correct.

Dated: October 12, 2018

s/ Aaron G. Thomas

Aaron G. Thomas (#0389011)